

July 15, 2013

United States Environmental Protection Agency Sam Nunn Atlanta Federal Center 61 Forsyth Street, SW Atlanta, Georgia 30303-8960

Attention: Ms. Meredith Anderson

Environmental Engineer

Re: Quarterly Progress Report #3 July 2013
Walter Coke
3500 35th Avenue North
Birmingham, Jefferson County, Alabama
USEPA ID No. ALD 000 828 848
Terracon Project No. E1127096

Dear Ms. Anderson:

On behalf of Walter Coke, Inc. (Walter Coke), Terracon Consultants, Inc. (Terracon) has prepared Quarterly Progress Report #3 for the work completed April 1, 2013 to June 30, 2013 period for the above-referenced site. This progress report has been prepared in accordance with paragraph 53 of the Order on Consent with effective date of September 24, 2012.

PROGRESS REPORT (APRIL 1, 2013 THROUGH JUNE 30, 2013)

Interim Measures

- The transducer study of wells MW-49S, MW-50, and MW-51 was started on April 9, 2013 and was stopped on June 14, 2013. It was conducted for five weeks longer than originally planned due to the system trouble shooting between system start-up and full system operation.
- Hydraulic Control System start-up was conducted on April 16, 2013. The system was operated for approximately 2 hours and there were some modifications noted that would need to be made prior to operating the system full time. After system modifications were concluded, the system was restarted on May 17, 2013. The volume of water recovered from April 16, 2013 through June 30, 2013 is 598,370 gallons.
- Groundwater monitoring levels have been conducted in June and July since the system has been running.
- The first quarterly groundwater monitoring event is scheduled for the first week of August 2013. The data for the August 2013 first quarterly groundwater sampling will be submitted in the next quarterly progress report on October 15, 2013.



Quarterly Progress Report #1 January 2013

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Vapor Intrusion

- The Vapor Intrusion Work Plan site access agreement sent to the attorney for the residence at 4081 FL Shuttlesworth Drive, Birmingham, AL 35207 was received by Walter Coke on April 10, 2013.
- The four soil vapor monitoring points were installed on May 1, 2013.
- The first quarter of soil vapor monitoring was conducted on May 30, 2013.
- As soon as the data for the May 30, 2013 sampling event is validated, it will be provided to EPA. The next quarterly sampling event is scheduled for the first week of August 2013. The data for the August 2013 soil vapor sampling will be submitted in the next quarterly progress report on October 15, 2013.

Corrective Measures

- Walter Coke submitted the CMS for SMA 1 on May 24, 2013.
- June 5, 2013 Walter Coke requested a 31-day extension for submittal of the CMS for SMA-2.
 - June 13, 2013 EPA approved the Extension Request for the submittal of the CMS for SMA-2. The new due date for the CMS for SMA-2 is July 22, 2013.
- Terracon is preparing the CMS for SMA-2 and evaluating potential remedial options.

PROJECTED WORK FOR NEXT REPORTING PERIOD (JULY 1, 2013 THROUGH SEPTEMBER 30, 2013)

Interim Measures

- Continue operation and maintenance of the hydraulic control system.
- Quarterly groundwater monitoring conducted in August 2013.

Vapor Intrusion

- The data from the first quarterly vapor intrusion monitoring will be submitted to EPA.
- The second quarterly soil vapor sampling will be conducted.

Corrective Measures

- The CMS for SMA-2 will be completed by July 22, 2013.
- The CMS for SMA-3 will be completed by September 24, 2013

Quarterly Progress Report #1 January 2013

Walter Coke Birmingham, Alabama January 15, 2013 Terracon Project No. E1127096

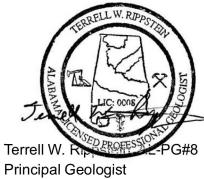


CLOSING

If you should have any questions, please do not hesitate to contact us at (205) 942-1289.

Sincerely,

Terracon Consultants, Inc.



Mr. Don Wiggins - Walter Coke Cc:

Mr. Dan Grucza – Walter Energy

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